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**Study shows 103,000 North Dakota seniors and people
with disabilities would benefit from increased Medicare coverage:**

DORGAN SAYS MEDICARE PRESCRIPTION DRUG BENEFIT IMPORTANT TO NORTH DAKOTA SENIOR CITIZENS

(WASHINGTON, D.C.) — U.S. Senator Byron Dorgan said Wednesday a new study reveals that 103,000 North Dakota senior citizens and people with medical disabilities would get much-needed help paying their prescription medicine bills if Congress approves the plan he and others in Congress are working to advance that would add a voluntary prescription drug benefit to Medicare. Dorgan's comments came during a Senate Democratic Policy Committee (DPC) hearing in Washington, D.C., where witnesses provided testimony on the need for a prescription drug benefit.

The study cited by Dorgan was released by the White House Tuesday. It also revealed that most North Dakota senior citizens who have Medicare coverage and who live in rural areas -- two thirds of the state's 99,000 seniors -- have little or no access to prescription drug coverage through any other health insurance plan. Another 20,000 North Dakotans aged 55-65, who are not yet eligible for Medicare, are uninsured or individually insured. Few individual policies offer prescription drug coverage.

"There is an urgent need for Medicare reform that adds a prescription drug benefit," Dorgan said. "Our plan will ensure that every North Dakotan who has Medicare coverage would be able to afford their prescription medicines. Without it, more than 50,000 North Dakotans will be left behind, struggling to pay for the prescription medicine they need to continue to maintain active, independent lives."

Dorgan said it is especially important that any prescription drug benefit be extended to both poor and middle income seniors, since 90 percent of North Dakota senior citizens have incomes under \$50,000.

"The lack of prescription drug coverage is a major problem for seniors in our state, seniors who are often forced to make painful choices," Dorgan said. "Many must choose between buying expensive, yet necessary prescription drugs and buying food or heating their homes. We have the ability, within our budget, to provide prescription drug coverage to Medicare recipients. We need to act now."

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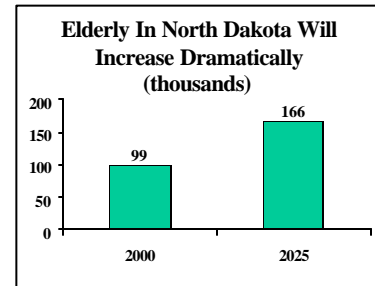
NORTH DAKOTA: THE NEED FOR MEDICARE REFORM

MEDICARE PROVIDES CRITICAL HEALTH CARE TO 103,000 IN NORTH DAKOTA

- **93,000 seniors and 10,000 people with disabilities in North Dakota rely on Medicare.**
 - About 58,000 Medicare beneficiaries in North Dakota (56 percent) are women.
 - About 14,000 Medicare beneficiaries in North Dakota (14 percent) are age 85 and older.
 - About 69,000 Medicare beneficiaries in North Dakota (67 percent) live in rural areas, with limited or no options for managed care or prescription drug coverage.
- **Poverty among the elderly in North Dakota fell from 12 to 14 percent since Medicare was created.**

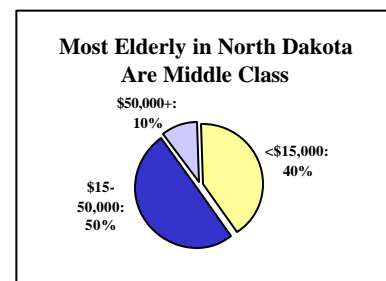
MEDICARE ENROLLMENT WILL SURGE IN NORTH DAKOTA

- **The number of seniors in North Dakota will rise from 99,000 in 2000 to 166,000 in 2025.** The percent of residents in North Dakota who are elderly will increase from 15 to 23 percent.
- **About 20,000 people (39%) ages 55 to 65 in North Dakota, who are not yet eligible for Medicare, are uninsured or individually insured.** People age 55 to 65 are the fastest growing group of uninsured. The same demographic trend will affect this age group, making this problem even worse in the near future.



NORTH DAKOTA SENIORS NEED PRESCRIPTION DRUG COVERAGE

- **Only 22 percent of firms nationwide offer retiree health insurance.** Retiree health insurance provides good prescription drug coverage, but only one-quarter of Medicare beneficiaries nationwide have this coverage. This will be lower in the future since 25 percent fewer firms offered retiree health in 1998 than 1994.
- **The monthly premium for Medigap insurance including prescription drugs averages \$122 in North Dakota, which is out of reach for many seniors.** Medigap (supplemental health insurance for beneficiaries) has plans that include prescription drugs, but these plans are typically costly and their premiums increase dramatically with age. Only about 1 in 10 Medicare beneficiaries nationwide purchases Medigap with drug coverage, and the extra cost is about \$90 per month.
- **Access to prescription drug coverage through Medicare managed care is limited in North Dakota.** No Medicare beneficiaries in North Dakota have the option of enrolling in a basic managed care plan that offers prescription drugs. Moreover, nationwide, an increasing number of plans are capping their drug coverage at \$1,000 or even \$500.
- **About 43,000 of all elderly in North Dakota are middle class (\$15-50,000) and would not be eligible for a low-income prescription drug benefit.**



ND HEALTH CARE PROVIDERS RELY ON MEDICARE

- **Health care providers in North Dakota depend on \$480 million in Medicare spending.** Medicare pays for 19 percent of all personal health care expenditures in North Dakota. This helps:
 - 47 hospitals, 2,200 physicians, 88 nursing homes, and other providers in North Dakota.

Editors Note: North Dakota data from the report “America’s Seniors and Medicare: Challenges for Today and Tomorrow” follows.